FEDERAL COMMUNICATIONS COMMISSION EX PARTE OR LATE PILETON, D.C. 20554

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11111 D. 92-265 IN REPLY REFER TO:

8310-MEA CN9300788

Honorable Thad Cochran United States Senate 326 Russell Senate Office Building Washington, DC 20510

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MAR 1 7 1993

Dear Senator Cochran:

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Thank you for your letter on behalf of Ms. Jean McDaniel, Director of Public Relations, Twin County Electric Power Association, regarding implementation of the programming access provisions in the Cable Television Consumer Protection and Competition Act of 1992.

The 1992 Cable Act prohibits unfair or discriminatory practices in the sale of programming in order to foster the development of competition to cable systems by increasing access to programming by other multichannel video programming distributors. In the 1992 Cable Act, Congress instructed the Commission to adopt implementing regulations pertaining to program access. In accordance with the statute, the Commission invited comment on provisions that will govern access to multichannel video programming (Notice of Proposed Rulemaking in MM Docket No. 92-265, released December 24, 1992). In particular, we sought comment on proposed regulations to prohibit: (1) undue influence by cable operators upon actions by affiliated program vendors, (2) price discrimination by vertically integrated satellite cable programming vendors and satellite broadcast programming vendors, and (3) certain exclusive contracting practices that the Commission finds not to be in the public interest. We also recognized testimony in the legislative history of the 1992 Cable Act that caused Congress to conclude that vertically integrated program suppliers have the incentive and ability to favor their affiliated cable operators over other multichannel programming distributors. In addition, we also indicated that the Commission previously found anecdotal evidence that some vertically integrated programming suppliers and cable operators may have indeed used anticompetitive actions against other programming services and competing multichannel providers.

Please note that Ms. McDaniel's comments will be placed in the official record of MM Docket 92-265, so that they will receive full consideration prior to any action the Commission takes to implement the provisions of the 1992 Cable Act.

Sincerely.

Roy J. Stewart

Chief, Mass Media Bureau

Roy J. Stewart

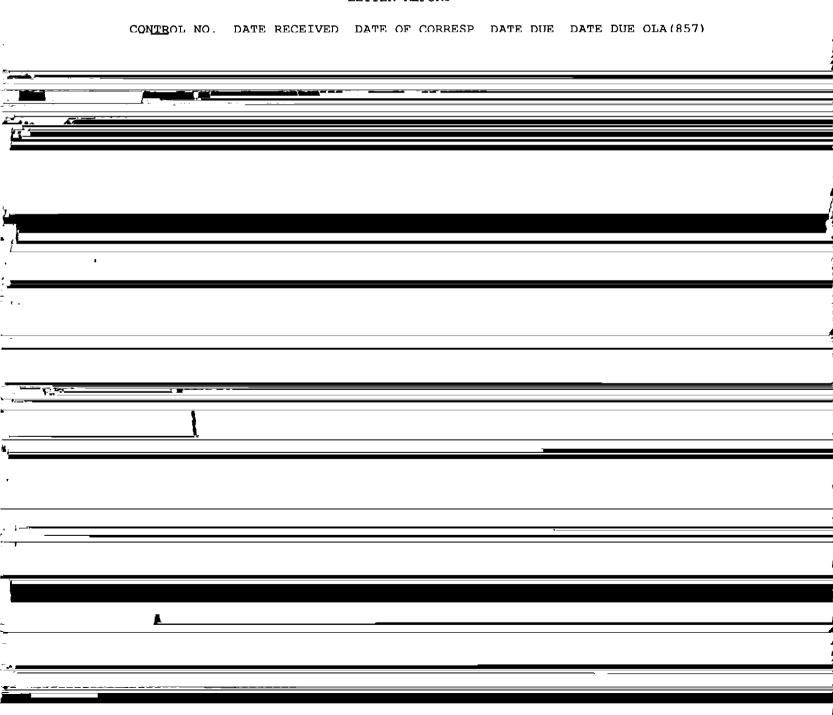
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## Congressional

CONGRESSIONAL CORRESPONDENCE TRACKING SYSTEM 02/24/93

LETTER REPORT



THAD COCHRAN

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COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

COMMITTEE ON APPROPRIATIONS

COMMITTEE ON LABOR AND HUMAN RESOURCES

SELECT COMMITTEE ON INDIAN AFFAIRS

## United States Senate

**WASHINGTON, DC 20510-2402** 

February 17, 1993

Mrs. Lou Sizemore, Congressional Liaison Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Dear Lou:

Enclosed is correspondence sent to me by one of my constituents, Ms. Jean McDaniel.

Your assistance in responding to Ms. McDaniel would be deeply appreciated.

THAD COCHRAN

TWIN GOUNTY

Lectric Fower Association

HOLLANDALE, MISSISSIPPI 38748-0158

February 2, 1993

P. O. BOX 158 TELEPHONE: B27-2262 BRANCH OFFICES BELZONI AND ROLLING FORK

The Honorable Thad Cochran United States Senate 326 Russell Senate Office Building Washington, DC 20510-2403

Dear Senator Cochran:

I am writing you to express my concern about the Federal Communications Commission's Notice of Proposed Rule Making (NPRM) that was released on December 24, specifically as it pertains to the Section 19 programming access provisions of the recently-passed cable bill.

I am the Director of Public Relations of Twin County Electric Power Association, a consumer-owned, not-for-profit rural utility that provides electric service to 12,128 consumers in west-central Mississippi. In our part of Mississippi, there are many consumers for whom cable service is unavailable due to their remoteness. The only way these consumers can receive television is by using a home satellite dish. Until now, these home satellite dish owners have been paying discriminatorily high rates for much of the programming they receive over their dish. The cost for this programming to home satellite dish distributors is on average five times more than what cable operators pay for it—a difference in price that is completely unjustifiable.

My utility, along with hundreds of utilities like it around the country, worked long and hard to secure the inclusion of the cable bill's Section 19 programming access provisions in order to protect our consumers from the cable industry's price-gouging. When the bill passed, we were understandably pleased and hopeful that the discrimination would stop.

Hon. Thad Cochran February 2, 1993 Page 2

I urge you to review the NPRM issued by the FCC on Dec. 24, and help us ensure that rural residents of Mississippi are protected against price discrimination by lending your voice to our objection to this NPRM. I hope you will encourage the FCC to completely fulfill their duty to you and the citizens of this nation by issuing regulations which will encourage competition in the video marketplace and bring an end to the unjustifiable discrimination against the non-cable video marketplace by cable-owned programmers. On behalf of the thousands of home satellite dish owners living in rural Mississippi, I thank you for your support.

Sincerely,

Jean McDaniel

Director of Public Relations

JM/atb